



CATHOLIC CHARITIES
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Catholic Charities of St. Paul and Minneapolis to acquire Augustana Health Care Center facility in Minneapolis to provide homes and respite care to over 200 people, including the elderly and veterans, in need of housing stability

Historic investments from public and private partners to support new housing and services project

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December 2, 2019 (MINNEAPOLIS) – Strategic partnerships are key to advancing high-impact, innovative solutions to our community’s complex housing, health and wellbeing needs. **Cassia**, formerly Augustana Care and Elim, and **Catholic Charities of St. Paul and Minneapolis** announced that they are working together to maximize each organization’s impact to serve those most in need in the City of Minneapolis and Hennepin County.

The two non-profit, mission-driven organizations – key players in the housing, social service, older adult and health care arenas—have been working together on powerful opportunities for collaboration. This effort has resulted in a partnership that will support and improve the lives of our community’s most vulnerable neighbors through an adaptive reuse of the existing Augustana Health Care Center building into “Exodus 2.0” (name subject to change). Cassia will continue to own and operate the neighboring Augustana Apartments.

“Exodus 2.0 comes at a critical time as Minnesota faces a housing and homelessness crisis,” said **Tim Marx, president and CEO of Catholic Charities of St. Paul and Minneapolis**. “A crisis this complex demands broad, diverse partnerships and innovative solutions. The Exodus 2.0 project is a perfect example of public, private; new and old partnerships in pursuit of one common goal: to better the lives of our most vulnerable.”

“Augustana Care has been honored to serve the Minneapolis community for 123 years, and is grateful to Minneapolis health care center employees for their outstanding dedication,” said **Bob Dahl, CEO of Cassia**. “As Catholic Charities’ mission aligns with ours, both organizations explored opportunities over the years to benefit our local community. Changes in demand for services at the health care center influenced the decision to proceed with Catholic Charities’ offer. This decision was not reached lightly. Yet, after much reflection, we believe it will benefit more of those we serve. Our focus continues to be on residents and employees; helping residents find new locations that meet their needs and helping staff find new employment. Thankfully, demand for health care workers is strong and a large number of skilled nursing communities nearby can accommodate residents.”

Exodus 2.0 will build on an existing relationship between Catholic Charities and Cassia. For the past ten years, Catholic Charities has provided case management to low-income older adults who are residents at Augustana Health Care Center and at the neighboring Augustana Apartments. Exodus 2.0 will support this partnership going forward in new and innovative ways, including continued support to residents of the Augustana Apartments, which provides independent and assisted living primarily to older adults.

Background: Partnering to Maximize Impact and Meet Community Needs

The current Exodus Residence located next to St. Olaf Church in downtown Minneapolis, provides housing and support to 95 people in a deteriorating building which Catholic Charities has leased from St. Olaf since 1995. In 2017, Catholic Charities and St. Olaf extended the lease until 2021 to allow time to secure a replacement. This was at the same time Catholic Charities was working with Minnesota Housing Finance Agency, Dominion (which is providing pro bono development services), and many others to complete the second phase of Dorothy Day Place--the largest public-private partnership in housing and social services in state history--which was completed just this fall. Despite the challenges of advancing another major project so soon, Catholic Charities and its public and private partners were compelled to act because of the housing and homelessness crisis affecting the state and region.

Meanwhile, market conditions were encouraging Cassia to weigh the future of Augustana Health Care Center. As many older adults look for more home-like settings, skilled nursing communities nationwide are experiencing a decline in demand. Locally, many nursing homes are operating below capacity. Rather than leave the future of a critical building in the heart of Elliot Park uncertain, Cassia and Catholic Charities found a solution where an adaptive reuse preserves the social purpose of the building and allows the opportunity to offer more resources and support to low-income adults in downtown Minneapolis—while adding to its vitality.

Exodus 2.0: Homes and Stability for Our Most Vulnerable Neighbors

Exodus 2.0 will fully utilize and preserve a building in a prime location that will advance county, city, state and broader community objectives.

- **Exodus 2.0 will provide homes and stability to 203 people** (an increase of 108 over the current Exodus Residence), **servicing priority populations for Hennepin County including single adults, veterans, and people with complex medical conditions in need of housing stability.**
- In partnership with Hennepin Healthcare and Hennepin County Public Health’s Healthcare for the Homeless program, a permanent **medical respite program for adults experiencing homelessness** is also planned as part of Exodus 2.0. A medical respite program is short-term residential care for people experiencing homelessness who are recovering from an illness or injury.
- This project will also bring a **storefront clinic** available to the broader community operated by Hennepin County’s Healthcare for the Homeless.
- **Veterans** will receive priority for 154 apartment homes and 19 more homes will be guaranteed for veterans, providing a big boost to the state’s goal of ending veteran homelessness.

Exodus 2.0 is scheduled to open in the summer/fall of 2021.

A detailed relocation plan for each Augustana Health Care Center resident is being created with the resident and his/her representative. Meetings will continue until all residents are discharged per need and preferences. The process is consistent with policy requirements of the Minnesota Department of Health and the Department of Human Services. Cassia will also do whatever is needed to help employees find new positions, including on-site job fairs for other Cassia locations and area skilled nursing communities, human resources support with job search skills, reference letters and more. The fact that demand for health care workers is strong should provide yet another advantage to employees. Cassia, Catholic Charities and public partners are now working to help ensure this transition is smooth, with a continued focus on prioritizing the needs of those we serve.

Public and Private Partners Provide Support

With a proven track record of creating significant public/private partnerships, leveraging resources, providing quality services, and managing projects with operational excellence for the benefit of vulnerable people and the broader community, Catholic Charities and Cassia are not the only organizations stepping up to advance this project. Exodus 2.0 has estimated capital costs of approximately \$65 million, and many public and private partners are making critical investments. **Hennepin County, Minnesota Housing Finance Agency, the City of Minneapolis and Minneapolis Public Housing Authority** are providing critical support. Catholic Charities donors will make significant private investments, including a \$3.5 million lead challenge grant from the **Richard M. Schulze Family Foundation** and the pro bono development services of **Dominium**. **NOTE:** Hennepin County, under a revised policy to proactively provide leadership on projects that address its priorities, was the first public partner to commit to the Exodus 2.0 project, which played a critical role in securing needed state and city funding. The county board will take final action on funding at its meeting on December 12.

“Housing is the most basic need,” said **Hennepin County Commissioner Mike Opat**. “The county has been refining our housing focus to prioritize serving the population of residents who are particularly at risk of housing instability. This project meets that need in a big way. I am proud that we committed to this project early and will maximize the impact we have in the lives of our most vulnerable residents.”

NOTE: A number of public and private partners have expressed support for the Exodus 2.0 project as demonstrated in a collection of quotes included in this media kit.

Collaboration is critical to the success of this project, and Exodus 2.0 will serve as a hub for community partnerships with a wide range of service providers. Leveraging these cross-sector partnerships will help ensure some of our most vulnerable neighbors have a safe place to call home.

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About Catholic Charities of St. Paul and Minneapolis

Catholic Charities of St. Paul and Minneapolis serves those most in need. Approaching our 150th year of service, we are a critical part of the social and civic infrastructure upon which the community relies to solve poverty, create opportunity and advocate for justice. Our programs for children, families and adults annually assist over 22,000 people, regardless of faith, background or circumstance. Through our advocacy efforts, Catholic Charities serves as a tireless voice for those who often go unheard. Our work would not be possible without our dedicated volunteers and donors. To learn more, please visit www.cctwincities.org.

About Cassia

Cassia's mission is to foster fullness of life for older adults in the spirit of Christ's love. In 2018, Augustana Care and Elim Care voluntarily joined together to form Cassia, reinforcing both organizations' missions. This affiliation, with over 200 years of combined Christian ministry, augments our service to people of all faiths by strengthening our focus on resident, patient and client care.

Cassia provides independent and assisted living communities, memory care, skilled nursing care centers, short-term rehabilitation centers, adult day programs and a variety of community-based services for older adults in our Christian tradition across five states. Looking to the future, Cassia will continue providing healing, compassion and renewal through serving all by following One.